(c) whether the royalty given to the States on coal is reviewed after every three years under the Mines and Mineral Development Regulatory Act; and

(d) if so, how many times such review has been made so far and the results thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) and (b) Yes, Sir. Rates of royalty of coal has been revised vide Notification No.G.S.R.522 (E) dated 01.08.2007.

(c) and (d) Section 9(3) of the Mines and Minerals (Regulation & Development) Act, 1957 empowers the Central Government to enhance or reduce the royalty rates in respect of coal and lignite. The proviso to the aforesaid Section prevents the Central Government from enhancing the rate of royalty on coal and lignite more than once during any period of three years. It is not mandatory to revise the rate of royalty on coal and lignite after every three years. However, the rates of royalty are revised after taking into consideration the interests of all stake holders and the overall economic scenario of the Country.

Review on royalty rates had been made six times since 1971 and as a result thereof the royalty rates on coal were fixed/revised on 19.02.1971, 17.07.75, 13.02.1981, 11.10.1994, 16.08.2002 and 01.08.2007.

Target fixed for various units of CIL

†1217. SHRI AJAY MAROO: Will the PRIME MINISTER be pleased to state:

(a) the production target fixed for various subsidiary units of Coal India Ltd. during the first quarter of current financial year;

(b) the production done by these subsidiary units against the target;

(c) if the production is below the target, the reasons therefore; and

(d) the steps being taken to improve the production?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) and (b) Subsidiary-wise coal production (Provisional) of Coal India Ltd. during first quarter of the current financial year (2007-08) is as under:

(In million tonnes)

Company	Target	Actual	Shortfall
1	2	3	4
Eastern Coalfields Ltd.	7.466	5.621	-1.845
Bharat Coking Coal Ltd.	5.765	5.510	-0.255
Central Coalfields Ltd.	8.805	7.436	-1.369
Northern Coalfields Ltd.	12.785	12.798	+0.013

†Original notice of the question was received in Hindi.

1	2	3	4
Western Coalfields Ltd.	10.602	9.916	-0.686
South Eastern Coalfields Ltd.	20.918	20.576	-0.342
Mahanadi Coalfields Ltd.	19.890	18.479	-1.411
North Eastern Coalfields Ltd.	0.360	0.235	-0.125
Total:–Coal India Ltd.	86.591	80.571	-6.020

(c) Yes Sir. There is shortfall of 6.020 Mts. The reasons for shortfall in coal production are unprecedented heavy rainfall in ECL, CCL and WCL, Breakdown of machineries in BCCL and MCL, Major maintenance/overhauling of HEMM at CCL, Power failure in ECL, BCCL and CCL, Transportation/Economic blockage at CCL, Frequent disturbances by villagers (IR problem) in MCL and less exposure of coal due non- finalisation of OB removal contract in SECL.

(d) Production shortfall during first quarter of 2007-08 was reviewed subsidiary-wise and it was decided to mobilize all resources so that the shortfall is made good during second and third quarter of current financial year.

Signing of Pact between MCL and NALCO

†1218. SHRI RUDRA NARAYAN PANY: Will the PRIME MINISTER be pleased to state:

(a) whether Orissa based Mahanadi Coalfields Ltd. (MCL) has signed any pact to give coal to nearby National Aluminium Company Ltd. (NALCO);

(b) if so, the details thereof;

(c) whether it has become a practice to give coal to companies of distant States instead of Power plants of other industries situated in those States, where subsidiary companies of Coal India are situated; and

(d) if not, the factual position obtaining in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) and (b) A Fuel Supply Agreement (FSA) was concluded between Mahanadi Coalfields Limited (MCL) and National Aluminium Company Ltd. (NALCO) on 15th April, 2002, which was valid for a period of five years. The validity of this FSA has expired. However, coal supplies from MCL to NALCO are continuing on the basis of coal allocation made by Standing Linkage Committee (Short-term). Details of allocation of coal *vis-a-vis* despatch of coal to Captive Power Plants of NALCO at Angul are given below:-

†Original notice of the question was received in Hindi.